

ND RISK MANAGEMENT WORKERS COMPENSATION FUND

State Investment Board Balance Sheet As of 8/31/2008

| | As of <u>8-31-08</u> | As of <u>6-30-08</u> |
|---|----------------------------|----------------------------|
| ASSETS: | | |
| INVESTMENTS (AT MARKET) | | |
| DOMESTIC EQUITIES | \$ 1,135,364 | \$ 1,054,641 |
| DOMESTIC FIXED INCOME | 1,817,624 | 1,907,002 |
| INVESTED CASH (NOTE 1) | <u>91,472</u> | <u>94,366</u> |
| TOTAL INVESTMENTS | 3,044,460 | 3,056,009 |
| RECEIVABLES | | |
| DIVIDEND/INTEREST RECEIVABLE | 6,486 | 5,654 |
| MISCELLANEOUS RECEIVABLE | <u>2</u> | <u>6</u> |
| TOTAL RECEIVABLES | 6,488 | 5,660 |
| OTHER ASSETS | | |
| INVESTED SECURITIES LENDING COLLATERAL (NOTE 2) | 105,814 | 105,814 |
| OPERATING CASH | <u>333</u> | <u>389</u> |
| TOTAL ASSETS | <u><u>\$ 3,157,095</u></u> | <u><u>\$ 3,167,872</u></u> |
| LIABILITIES: | | |
| SECURITIES LENDING COLLATERAL (NOTE 2) | 105,814 | 105,814 |
| ACCOUNTS PAYABLE | 16 | 27 |
| ACCRUED EXPENSES | 42 | 45 |
| INVESTMENT EXPENSE PAYABLE | <u>4,648</u> | <u>4,648</u> |
| TOTAL LIABILITIES | 110,520 | 110,534 |
| NET ASSETS AVAILABLE: | | |
| NET ASSETS AVAILABLE BEGIN OF YEAR | 3,057,338 | 4,221,728 |
| CASH IN DURING YEAR (NOTE 3) | 0 | 0 |
| CASH OUT DURING YEAR (NOTE 4) | 0 | 1,000,000 |
| NET INCREASE (DECREASE) | <u>(10,763)</u> | <u>(164,390)</u> |
| NET ASSETS AVAILABLE END OF PERIOD | <u>3,046,575</u> | <u>3,057,338</u> |
| TOTAL LIABILITIES & NET ASSETS AVAILABLE | <u><u>\$ 3,157,095</u></u> | <u><u>\$ 3,167,872</u></u> |

ND RISK MANAGEMENT WORKERS COMPENSATION FUND

State Investment Board Profit and Loss Statement For the Month Ended 8/31/2008

| | Month Ended <u>8-31-08</u> | <u>Year-to-Date</u> |
|--------------------------------------|-------------------------------|------------------------|
| ADDITIONS: | | |
| INVESTMENT INCOME | | |
| INTEREST/DIVIDEND INCOME | \$ 10,379 | \$ 20,761 |
| SECURITIES LENDING INCOME | 267 | 528 |
| | <u>10,646</u> | <u>21,289</u> |
| GAIN ON SALE OF INVESTMENTS | 53,921 | 106,355 |
| LOSS ON SALE OF INVESTMENTS | <u>55,051</u> | <u>113,563</u> |
| NET GAINS (LOSSES) INVESTMENTS | (1,130) | (7,208) |
| INVESTMENT EXPENSES | 1,035 | 4,624 |
| SECURITIES LENDING EXPENSES | 195 | 390 |
| NET INVESTMENT INCOME | 8,286 | 9,067 |
| NET APPREC (DEPREC) MARKET VALUE | 9,619 | (20,878) |
| MISCELLANEOUS INCOME/(EXPENSE) | <u>1,095</u> | <u>1,096</u> |
| TOTAL INVESTMENT INCOME | <u>19,000</u> | <u>(10,715)</u> |
| DEDUCTIONS: | | |
| ADMINISTRATIVE EXPENSES | 24 | 48 |
| NET INCREASE (DECREASE) | <u>\$ 18,976</u> | <u>\$ (10,763)</u> |

ND RISK MANAGEMENT WORKERS COMPENSATION FUND
Notes To Financial Statements
August 31, 2008

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.